

individuals would go to this type of an outlet to get whatever personal property they're looking at. It's certainly a business niche that is necessary, but it was largely unregulated, and there were abuses that were going on at that time. The original bill, the Consumer Rental Purchase Agreement Act, which I believe was passed in 1989, was first brought to my attention by the industry itself, who thought that there were some bad apples that were giving the entire industry a bad name. Because of that they, members of the industry brought the first act to my attention. This particular bill, LB 111, was brought to my attention by the Banking Department because of the problems that have surfaced over the past four years, since the bill was adopted. It does...it basically does four things. One was described by Senator Landis, and that is that it gives the Banking Department enforcement investigative abilities in enforcing the provisions of the act. It was unclear prior to that whether the department did have that ability. This makes it absolutely clear that they do. It gives them investigative powers, it gives them powers to review violations to determine if a violation has occurred, to issue cease and desist orders, to seek legal action, civil fines, et cetera, in order to be sure that the provisions of the act are being complied with. The other things it does is to redefine lessor under the act, the person who is the renter of equipment, or renter of the personal goods. It redefines that so as to make it clear that it's referring to an actual outlet in the state. And it's not intended to regulate, for example, catalogue sales, or catalogue rentals which would be covered under...likely be covered under federal law. The second thing it does is that it prohibits a lessor from utilizing forms which would refer to fees and charges that they are not legally able to charge. There has been a problem with some of the forms that are being used, including references to fees, that the lessor knows that they cannot charge and cannot assess and would be unenforceable. But, nonetheless, it puts that in there and becomes a threat to a lessee, who is not familiar, obviously, with the nuances of consumer rental purchase agreements and the law surrounding them. The third thing it does is to provide for a reinstatement fee. If the lessee defaults and that is reinstated, the lessor should be entitled to a fee for reinstatement. And it does allow a charge of...not to exceed \$5, to help cover the cost of whatever bookwork is necessary, or whatever paperwork is necessary to reinstate it. With that, I'd be happy to try to answer any questions, and I'd urge the advancement of LB 111.